GENERAL AGREEMENT ON TARIFFS AND TRADE

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 4

Extension of the bilateral agreement between

Canada and Turkey

Note by the Chairman

Attached is a notification received from Canada of an extension of its bilateral agreement with Turkey for the period 1 January to 31 December 1994.¹

¹The bilateral agreement and previous extensions are contained in COM.TEX/SB/1383, 1686, 1738 and 1845.

^{*}English only/Anglais seulement/Inglés solamente

The Permanent Mission of Canada to the United Nations



La Mission Permanente du Canada auprès des Fations Unies

1, rue du Pré-de-la-Bichette 1202 Geneva

37-10-3-3-OTHER

June 20, 1994

Ambassador Marcelo Raffaelli Chairman Textiles Surveillance Body General Agreement on Tariffs and Trade Centre William Rappard 154 rue de Lausanne 1211 Geneva

Dear Ambassador Raffaelli,

Pursuant to Article 4 of the of the Arrangement Regarding International Trade in Textiles (MFA), done at Geneva on 20 December 1973, and to its 1986, 1991, 1992 and 1993 Protocols of Extension and Maintenance in Force, I have the honour to advise you of the extension of the bilateral Memorandum of Understanding (MOU) between Canada and Turkey.

Attached please find copy of an exchange of Notes extending this Agreement until 31 December, 1994.

Yours sincerely,

Jean Saint-Jacques

Counsellor

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ETUE/1/760.038.C/2586

The Ministry of Foreign Affairs of the Republic of Turkey presents its compliments to the Canadian Embassy and with reference to Latter's Note No.556 dated 8 July 1993, concerning the extension of the Memorandum of Understanding (MOU) on Textile and Textile-Products Trade Between Canada and Turkey, has the honour to inform the Embassy that the Turkish Government approves of the extension until 31 December 1994 of the abovementioned MOU, provided that this extension shall be without prejudice to the rights in the field of textile trade which can be obtained as a result of the conclusion of the Uruguay Round or extension of the Multi-Tiber Agreement (MFA), and confirms that this reply, together with the Embassy's above-cited Note, constitute an agreement between Canada and Turkey, extending the MOU until 31 December 1994.

The Ministry of Foreign Affairs of the Republic of Turkey avails itself of this opportunity to renew to the Canadian Embassy the assurances of its highest consideration.

Ankara, 30 July 1993



The Canadian Embassy, Ankara

Canadian Imbassy

Ambassade du Canada

NOTE NO 556

The Embassy of Canada presents its compliments to the Ministry of Foreign Affairs and has the honour to refer to the Memorandum of Understanding between the Government of Canada and the Government of the Republic of Turkey relating to the export from Turkey of certain textiles and textile products for import into Canada (MOU).

In light of the continued delay in the completion of the Uruguay round of Multilateral Trade Negotiations (MTN), it is clear that the MTN results on textiles and clothing will not be implemented on January 1, 1994, as was expected last year when the MOU was extended for one year until December 31, 1993. To date, the textiles committee of the GATT has not taken a decision on the extension of the arrangement regarding international trade in textiles (MFA) beyond its expiry date of 31 December, 1993; it is likely that a decision in this respect will not be made until much later in 1993.

Under these circumstances, Canadian authorities wish to avoid uncertainties among producers, exporters and importers in Canada and Turkey with respect to the rules which will govern our bilateral trade in textiles and clothing in 1994. Orders have already been placed for delivery in 1994. Manufacturers in Canada and in Turkey will soon have to purchase raw materials and components to meet their 1994 delivery commitments. Canadian importers also have committed themselves to meet increasingly stringent deadlines for delivery to their Canadian customers. In the absence of the extension of the MOU, Canadian authorities are not in a position at this time to counsel Canadian importers on whether the current import regime will continue into 1994.

Canadian authorities remain committed to maintaining an effective import control policy for the textile and clothing industries in order to ensure a moderate growth in low-cost imports and to provide the Canadian industry with a climate that is conducive to an orderly adjustment process. The current bilateral clothing agreement between Turkey and Canada has served to ensure secure terms of access for textile and clothing exports from Turkey.

The Canadian authorities would propose that the MOU be extended until 31 December, 1994, or, if Turkish authorities are agreeable, to 31 December, 1995. This extension would apply to all terms and conditions of the MOU, including growth rates and flexibility provisions. It would also be without prejudice to any changes that may be required to be implemented as a result of a successful conclusion of the Uruguay Round or as the result of the extension of the MFA. In the event that the MTN results are implemented in 1995, the second year of this extension, where applicable, would be superseded by the restraint structure contained in the MTN agreement.

If the Turkish authorities are in agreement with the proposed extension of the MOU, the Canadian authorities propose further that this note, along with the reply from the authorities of Turkey, constitute an agreement extending the MOU until the date on which we mutually agree.

The Embassy of Canada avails itself of this opportunity to extend to the Ministry of Foreign Affairs the renewed assurances of its highest consideration.



Ankara 8 July, 1993